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DAVID S. ROSENZWEIG
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August 2, 2002

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

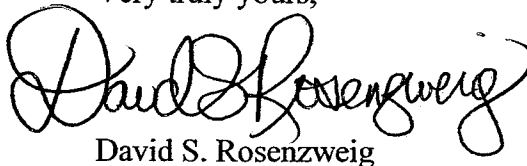
Re: Colonial Gas Company d/b/a KeySpan Energy Delivery New England and
NSTAR Gas Company, D.T.E. 02-44

Dear Ms. Cottrell:

I have enclosed an original and nine (9) copies of the Joint Petition of NSTAR Gas Company and Colonial Gas Company d/b/a KeySpan Energy Delivery New England for Approval of a Contract for the Purchase of Facilities in the Town of Plymouth, Massachusetts, along with the \$100.00 filing fee.

I have also enclosed a Certificate of Service. Thank you for your attention to this matter.

Very truly yours,



David S. Rosenzweig

Enclosures

cc: Elizabeth Cellucci, Hearing Officer
Paul Afonso, General Counsel
Richard Visconti, KeySpan Energy Delivery New England
Patricia Crowe, KeySpan Energy Delivery New England
Timothy Cronin, NSTAR Electric & Gas Corporation

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COMMONWEALTH OF MASSACHUSETTS

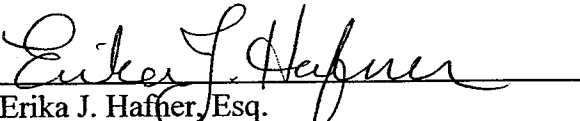
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Joint Petition of NSTAR Gas Company and Colonial
Gas Company, d/b/a KeySpan Energy Delivery
New England, for Approval of a Contract for the
Purchase of Facilities in the Town of Plymouth

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D.T.E. 02-44

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the Department of Telecommunications and Energy, and counsel for all parties, by hand or first class mail, in accordance with the requirements of 220 C.M.R. 1.05 (the Department's rules of Practice and Procedure).


Erika J. Hafner, Esq.
Keegan, Werlin & Pabian, LLP
21 Custom House Street
Boston, MA 02110
(617) 951-1400

Dated: August 2, 2002

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

Joint Petition of NSTAR Gas Company and Colonial
Gas Company, d/b/a KeySpan Energy Delivery
New England, for Approval of a Contract for the
Purchase of Facilities in the Town of Plymouth

D.T.E. 02-44

**JOINT PETITION OF NSTAR GAS COMPANY AND COLONIAL GAS
COMPANY d/b/a KEYSpan ENERGY DELIVERY NEW ENGLAND FOR
APPROVAL OF A CONTRACT FOR THE PURCHASE OF FACILITIES IN
THE TOWN OF PLYMOUTH**

On August 1, 2002, NSTAR Gas Company ("NSTAR Gas") and Colonial Gas Company d/b/a KeySpan Energy Delivery New England ("KeySpan") (together, the "Joint Petitioners") executed an agreement for the purchase and sale of certain facilities in the Town of Plymouth ("Plymouth"), Massachusetts, and for the transfer of associated natural gas customers from KeySpan to NSTAR Gas (the "2002 Agreement") (Attachment A). In this Petition, the Joint Petitioners seek approval of the 2002 Agreement from the Department of Telecommunications and Energy (the "Department") pursuant to G.L. c. 164, § 76.

I. FACTUAL BACKGROUND

The 2002 Agreement was entered into pursuant to earlier agreements dated November 27, 1992 (the "1992 Agreement") (Attachment B) and June 8, 1995 (the "1995 Agreement") (Attachment C). The 1992 Agreement permitted KeySpan to serve certain customers located at a development in Plymouth known as "The Ponds," who were within the franchise territory of NSTAR Gas, but could not be served at that time by NSTAR Gas with its existing distribution facilities (the "Ponds Customers"). Similarly,

the 1995 Agreement authorized KeySpan to serve customers located in an area of Plymouth known as "Buttermilk Bay," who were within the franchise territory of NSTAR Gas, but could not be served by NSTAR Gas at that time with its existing distribution facilities (the "Buttermilk Bay Customers") (together with the Ponds Customers, the "Plymouth Customers").

The 1992 Agreement and 1995 Agreement permitted KeySpan to construct and operate certain natural gas distribution facilities to serve the Plymouth Customers (the "Plymouth Assets"). Both the 1992 Agreement and 1995 Agreement also provided NSTAR Gas with the right to acquire the Plymouth Assets at those facilities' original cost, less depreciation, and to commence natural gas service to the Plymouth Customers upon prior notice to KeySpan. Accordingly, on November 16, 2001, NSTAR Gas notified KeySpan of its election to purchase the Plymouth Assets and to commence service to the Plymouth Customers.

II. TERMS OF THE 2002 AGREEMENT

Pursuant to the 2002 Agreement, NSTAR Gas agreed to pay \$1,928,738.00 to KeySpan for the Plymouth Assets. The 2002 Agreement provides that the date on which NSTAR Gas will commence service to the Plymouth Customers is not later than seven days following the receipt of the Department's approval of the 2002 Agreement (the "Effective Date"). For a period after the Effective Date, the Joint Petitioners have agreed to work cooperatively to ensure the orderly transition of the Plymouth Customers from KeySpan to NSTAR Gas. The Joint Petitioners have agreed to specific arrangements regarding the transfer of service for the Plymouth Customers.

III. EFFECT OF THE 2002 AGREEMENT ON RATES

Using current billing rates and the most recent 12-months' customer consumption, the 2002 Agreement will result in lower bills annually for the Plymouth Customers. In total, there are 1,104 customers who will be affected, 1,080 of whom are residential customers and the balance of which are commercial customers. It is expected that residential customers will generally experience a decrease in bills based upon the current rates of NSTAR Gas and KeySpan. Had all of the Plymouth Customers that make up the Rate R-1 non-heating class been served by NSTAR Gas for the past year, they would have experienced lower bills on an annual basis (except for zero-use customers (if any) who, because of a slight difference in the Energy Conservation Services ("ECS") charge, would have experienced an annual increase of \$0.18). According to last year's consumption data, the annual average decrease for Rate R-1 customers would have been on the order of 28 percent. Similarly, if the Rate R-3 heating class of Plymouth Customers had been served by NSTAR Gas for the past year, all customers in that class would have experienced lower rates, with the exception of: (1) zero-use customers because of the ECS charge as discussed above; and (2) those customers using heat predominantly during off-peak periods because of a slightly higher per-therm charge in NSTAR Gas's rates in that period. The annual average decrease for Rate R-3 customers would have been approximately 17 percent. Finally, had the Rate R-4 low-income heating class been receiving service from NSTAR Gas for the past year, all customers in that class would also have experienced a decrease in bills, averaging about 18 percent annually.

It is anticipated that each of the 24 commercial customers will experience a decrease in bills on an annual basis as well. Although KeySpan's customer charges for commercial classes are currently lower than NSTAR Gas's, NSTAR Gas's per-therm billing rates are lower. Therefore, except for those commercial customers with very low usage (or zero use), commercial customers can expect a decrease in bills as a result of the 2002 Agreement. For each commercial rate class, the savings on an annual basis, had these customers been served by NSTAR Gas, would have amounted to: approximately 29 percent for the Rate G-41 low-load, small general commercial customer class; a 10 percent decrease for the Rate G-42 low-load, medium general customer class; 26 percent for the Rate G-51 high-load, small general customer class; and 31 percent for the Rate G-52 high-load, medium general customer class.

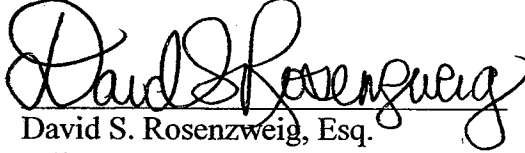
IV. CONCLUSION

Based upon the above, the Joint Petitioners respectfully request that the Department approve the 2002 Agreement pursuant to G.L. c. 164, § 76 and that the Department grant any further relief necessary and appropriate thereto.

Respectfully Submitted,

NSTAR GAS COMPANY

By its attorneys,

A handwritten signature in cursive script, reading "David S. Rosenzweig".

David S. Rosenzweig, Esq.

Erika J. Hafner, Esq.

Keegan, Werlin & Pabian, LLP

21 Custom House Street

Boston, MA 02110

(617) 951-1400

(617) 951-1354 - fax

and

**COLONIAL GAS COMPANY, d/b/a
KEYSPAN ENERGY DELIVERY NEW
ENGLAND**

By its attorney,

A handwritten signature in cursive script, reading "Richard A. Visconti (QSR)".

Richard A. Visconti, Esq.

General Counsel

KeySpan Energy Delivery New England

One Beacon Street

Boston, MA 02108

617-723-5512, x2750

617-742-8564 - fax

Date: August 2, 2002

AGREEMENT

AGREEMENT dated this 1st day of August, 2002 by and between Colonial Gas Company d/b/a KeySpan Energy Delivery New England, a Massachusetts corporation with a principal place of business at One Beacon Street Boston MA ("KeySpan"), and NSTAR Gas Company, a Massachusetts corporation with a principal place of business at 800 Boylston Street, Boston, MA.

WHEREAS, NSTAR Gas (through its predecessor entity Commonwealth Gas Company) and KeySpan are parties to an Agreement dated November 27, 1992, as amended (the "1992 Agreement"); and

WHEREAS, the 1992 Agreement permitted KeySpan to serve certain customers in Plymouth, MA, who were within the franchise territory of NSTAR Gas but could not be served by NSTAR Gas with its distribution facilities at that time (the "Plymouth Customers"); and

WHEREAS, pursuant to the terms of the 1992 Agreement KeySpan has constructed and operated certain gas distribution facilities to serve the Plymouth Customers located in Plymouth, MA (the "Plymouth Assets"); and

WHEREAS, the 1992 Agreement provides that NSTAR Gas has the right to provide gas service to the Plymouth Customers upon notice to KeySpan in the event NSTAR Gas determines it is economic and convenient to do so; and

WHEREAS, the 1992 Agreement further provides that NSTAR Gas has the right to purchase those Plymouth Assets that NSTAR Gas considers acceptable and necessary to maintain service to the Plymouth Customers, at a price equal to KeySpan's original cost, less depreciation; and

WHEREAS, on November 16, 2001 NSTAR Gas issued the aforementioned notice to KeySpan of its election to commence service to the Plymouth Customers, and to purchase the Plymouth Assets;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties agree as follows:

1. The Plymouth Assets

The Plymouth Assets to be purchased by NSTAR Gas pursuant to the terms of this Agreement are listed on Schedule A appended hereto. **THE PLYMOUTH ASSETS ARE BEING SOLD AS IS AND WHERE IS.** KeySpan warrants that it has good title to and/or the full right to sell the Plymouth Assets to NSTAR Gas. **THIS WARRANTY IS EXPRESSLY MADE IN LIEU OF ANY AND ALL OTHER WARRANTIES**

EXPRESS OR IMPLIED INCLUDING BUT NOT LIMITED TO THE WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR ANY PARTICULAR PURPOSE, AND ALL SUCH OTHER WARRANTIES ARE HEREBY DISCLAIMED BY KEYSpan.

2. Purchase Price

The full amount of the consideration for the purchase of the Plymouth Assets is \$1,928,738.00. Such amount shall be paid in immediately available funds at the Closing. KeySpan represents that this amount is equal to: (i) the original cost of the Assets, less depreciation as allowed in accordance with generally accepted accounting principles and the Uniform System of Accounts, all as of June 30, 2002, and (ii) the cost of all system improvements done by KeySpan during calendar year 2002. The calculation supporting the Purchase Price is set forth in Schedule B hereto. Title to the Plymouth Assets and risk of loss shall pass to NSTAR Gas upon Closing.

3. Closing Date

The Closing shall take place at the offices of NSTAR Gas at One NSTAR Way in Westwood, MA in advance of the Effective Date as agreed by the Parties.

4. Rights, Permits and Third-Party Warranties

As of the date of Closing, KeySpan will assign to NSTAR Gas:

- (i) KeySpan's interests in any permits, licenses, easements or other rights associated with service to the Plymouth Customers; and
- (ii) Any and all warranties offered by any manufacturer, contractor, distributor or other vendor related to the Plymouth Assets. Copies of all such documentation are attached in Schedule C hereto.

5. Meter Reading

NSTAR Gas and KeySpan will coordinate the final meter reading by KeySpan with the initial meter reading by NSTAR Gas for each customer account. The parties will exchange information regarding the results of all meter readings contemplated by this Agreement.

6. Transition Period Cooperation

NSTAR Gas and KeySpan shall work cooperatively to ensure an orderly transition of the Plymouth Customers from KeySpan to NSTAR Gas, and for the provision of gas service by NSTAR Gas to the Plymouth Customers. NSTAR Gas and KeySpan will cooperate regarding having personnel available to install, connect and disconnect systems to support these efforts. In addition, KeySpan shall allow NSTAR Gas to utilize any telemeters associated with service to the Plymouth Customers for a period not to exceed twelve months, until the telemeter is replaced by NSTAR Gas.

7. Records and Documentation

On or before July 15, 2002, KeySpan shall provide KeySpan's records and documentation relating to service to the Plymouth Customers, and such records and documentation shall include without limitation:

- (i) CRIS III customer information and service history from their 'Note' screen such that NSTAR will have it for back-up if any customer inquiries; and
- (ii) All records pertaining to the Plymouth Assets, including tax records, MAOP records, construction documentation, odorization sample locations, maps, pressure tests, maintenance, leak surveys, corrosion records and leak history.

8. Public Notices

The parties shall agree on the form of appropriate notification by KeySpan and/or NSTAR Gas to the Massachusetts Department of Telecommunications and Energy ("M.D.T.E."), Town of Plymouth Officials, and Plymouth Customers regarding the transition contemplated in this Agreement.

9. Effective Date of NSTAR Gas Service

This Agreement and the obligations of the NSTAR Gas and KeySpan hereunder are subject to the approval of the Massachusetts Department of Telecommunications and Energy (MDTE). The parties shall cooperatively seek such approval by the submission of a joint filing with the MDTE and generally supporting that filing, and providing testimony in support thereof as necessary. The Parties agree that the date on which NSTAR Gas shall commence service to the Plymouth Customers shall be not later than seven (7) days following receipt of the aforementioned DTE approval, unless the Parties otherwise agree (the "Effective Date"). After the Effective Date, KeySpan shall have no right to provide gas service to the Plymouth Customers under the 1992 Agreement, nor shall KeySpan have any responsibility to operate, maintain or repair the Plymouth Assets.

10. Service to the Ponds of Plymouth

With respect to those Plymouth Customers located in the Ponds of Plymouth development (which is defined in Schedule C hereto), the parties agree as follows:

- (i) On the Effective Date, or as soon as practicable thereafter, KeySpan shall stop the flow of gas to the Ponds of Plymouth development Customers by shutting valves on the KeySpan distribution system.
- (ii) Any payments received by NSTAR Gas for service provided to one or more of the Plymouth Customers for service provided by KeySpan prior to the Effective Date shall be paid by NSTAR Gas to KeySpan.
- (iii) Any payments received by KeySpan for service provided to one or more of the Plymouth Customers for service provided by NSTAR Gas after the Effective Date shall be paid by KeySpan to NSTAR Gas.

11. Service To Buttermilk Bay

With respect to those Plymouth Customers located in the Buttermilk Bay development (which is defined in Schedule D hereto), the parties agree as follows:

- (i) On the Effective Date, KeySpan shall transfer each existing customer account into the name of NSTAR Gas and NSTAR Gas shall pay KeySpan for gas sold and delivered to each account under the applicable KeySpan tariff on file with and approved by the M.D.T.E.
- (ii) Any payments received by NSTAR Gas for service provided to one or more of the Plymouth Customers for service provided by KeySpan prior to the Effective Date shall be paid by NSTAR Gas to KeySpan.
- (iii) Any payments received by KeySpan for service provided to one or more of the Plymouth Customers for service provided by NSTAR Gas after the Effective Date shall be paid by KeySpan to NSTAR Gas.

- (iv) NSTAR Gas shall own, operate and maintain the Plymouth Assets used to provide service to the Plymouth Customers located in the Buttermilk Bay Development.
- (v) KeySpan shall own, operate and maintain all other distribution facilities used to provide service to the Plymouth Customers located in the Buttermilk Bay development.
- (vi) NSTAR Gas shall read customer meters and provide data to KeySpan to document the gas sales to NSTAR Gas for the Buttermilk Bay development customers.
- (vii) NSTAR Gas will use reasonable efforts to permit and construct an extension of its distribution system to serve Buttermilk Bay (the "Extension facilities"). NSTAR will provide KeySpan with 90 days advance notice of the date on which the Extension Facilities will be operational.
- (viii) KeySpan shall be responsible for proper odorization and over pressure protection for the Buttermilk Bay Development System until the aforementioned NSTAR Gas extension becomes operational.
- (ix) Once the Extension Facilities are operational, NSTAR Gas shall supply KeySpan with customer meter reads, KeySpan shall stop the flow of gas to the Buttermilk Bay Development customers by shutting valves on the KeySpan distribution system, the service arrangement described in this section 11 shall terminate, and KeySpan shall render a final bill for the NSTAR Gas accounts established pursuant to section 11 (i) above.

12. Taxes and Expenses

All real estate taxes, public and private charges and public and private assessments affecting the Assets ("Taxes"), and all expenses attributable to the operation of the Assets ("Operating Expenses") shall be prorated on a per diem basis as of the date of Closing, with such Taxes and Operating Expenses for the day of the Closing allocated to NSTAR Gas. If any Taxes have not been finally assessed as of the date of Closing for the current fiscal year of the taxing authority, then the same shall be adjusted at Closing based upon the most recently issued bills therefore, and shall be readjusted when and if final bills are issued.

13. Indemnification

- (i) Indemnification by KeySpan. KeySpan shall indemnify, hold harmless and defend NSTAR Gas from and against all costs or losses in connection

with either the ownership or operation of the Assets or the provision of natural gas service to the Plymouth Customers, prior to the Effective Date.

- (ii) NSTAR Gas shall indemnify, hold harmless and defend KeySpan from and against all costs or losses in connection with either the ownership or operation of the Assets or the provision of natural gas service to the Plymouth Customers, following to the Effective Date.
- (iii) Defense of Legal Actions. At the indemnified Party's request, the indemnifying Party shall defend any suit asserting a claim covered by this indemnity and shall pay all costs and expenses (including reasonable attorneys' fees and expenses) that are incurred in enforcing the indemnity obligations of the other Party. The indemnified Party may, at its own expense, retain separate counsel and participate in the defense of any such suit or action. The indemnifying Party shall not compromise or settle a claim hereunder without the prior written consent of the indemnified Party; provided, however, that in the event such consent is withheld, then the liability of the indemnifying Party shall be limited to the aggregate of the amount of the proposed compromise or settlement, the amount of counsel fees and expenses outstanding at the time such consent shall have been withheld, and the amount of any outstanding claim against which indemnification applies and which is not covered by the proposed compromise or settlement (together with all costs and expenses associated with such outstanding claim). Thereafter, the Party withholding such consent shall hold harmless and reimburse the indemnifying Party, upon written demand, for the amount of any additional liability, counsel fees and expenses incurred by the indemnifying Party over and above the amounts described above after the time such consent shall have been withheld.
- (iv) Limitation of Liability. Neither Party shall be liable to the other Party for incidental, consequential or punitive damages hereunder.

14. Miscellaneous


- (i) Governing Law; Bind and Inure. This Agreement shall be governed by the law of the Commonwealth of Massachusetts and shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.
- (ii) Time of the Essence. Time is of the essence of this Agreement.

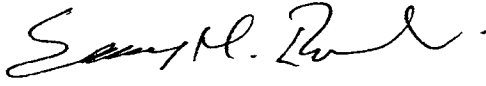
- (iii) Counterparts. This Agreement may be executed simultaneously in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- (iv) Entire Agreement; Amendments. This Agreement and the Exhibits hereto set forth all of the promises, covenants, agreements, conditions and undertakings between the parties hereto with respect to the subject matter hereof, and supersede all prior and contemporaneous agreements and understandings, inducements or conditions, express or implied, oral or written, except as contained herein. This Agreement may not be changed orally but only by an agreement in writing, duly executed by or on behalf of the party or parties against whom enforcement of any waiver, change, modification, consent or discharge is sought.

IN WITNESS WHEREOF, the parties have executed this Agreement by their authorized representatives as of the date first above-written.

Colonial Gas Company d/b/a
KeySpan Energy Delivery New England

NSTAR Gas Company


Title VP & Controller
Date: August 1, 2002


Title: V. P. GAS OPERATIONS
Date: August 1, 2002

AGREEMENT

This Agreement, dated as of this 27th day of November 1992, is between COMMONWEALTH GAS COMPANY, a Massachusetts corporation having a usual place of business at 157 Cordaville Road, Southborough, Middlesex County, Massachusetts, (hereinafter know as "Commonwealth"), and COLONIAL GAS COMPANY, a Massachusetts corporation having a usual place of business at 40 Market Street, Lowell, Middlesex County, Massachusetts, (hereinafter known as "Colonial").

WHEREAS, Commonwealth is the holder of the exclusive franchise right to serve natural gas customers in the Town of Plymouth, Plymouth County, Massachusetts, as set forth in the Charter of the Plymouth Gas Light Company, (now know as Commonwealth Gas Company), dated April 8, 1953; and

WHEREAS, Colonial wishes to serve a limited number of residents in said Town of Plymouth who can presently be more economically and conveniently served by Colonial, rather than by Commonwealth; and

WHEREAS, Commonwealth and Colonial wish to set forth their Agreement whereby such residents of the Town of Plymouth may be so served with natural gas by Colonial.

NOW THEREFORE, in consideration of the mutual promises set forth herein, Commonwealth and Colonial do hereby agree as follows:

1. Commonwealth hereby assents to the providing by Colonial of natural gas service to the area of Plymouth, Plymouth County, Massachusetts known as Cedarville, and as more particularly set forth on Exhibit A attached hereto (the "Expansion Area"), which is within the franchise territory of Commonwealth. Colonial is further authorized to provide natural gas service to any persons within the Town of Plymouth whose premises are located directly along the main extension route along which the facilities to the Expansion Area are to be installed. It is acknowledged that this authorization is granted due to the fact that Colonial is able to cost effectively serve the Expansion Area, while no natural gas distribution facilities of Commonwealth are located in close proximity thereto and the necessary main extension of approximately eight miles which would be required of Commonwealth to serve the Expansion Area cannot be economically justified.
2. It is further agreed that Commonwealth shall have the right, without limitation as to time, and without payment to Colonial other than that set forth in Paragraph 3 of this Agreement, to provide natural gas service to any persons to whom Colonial has provided natural gas service pursuant to this Agreement, if and when Commonwealth determines, in its sole discretion, that it is economic and convenient to do so. In such event, this Agreement shall be terminated upon the later of three (3) months written notice by Commonwealth to Colonial or the date when Commonwealth is first able to provide natural gas service to such customers.

3. In the event that Commonwealth does assume the responsibility of supplying natural gas service to such customers, all services and/or natural gas distribution facilities within the franchise territory of Commonwealth owned by Colonial at the time of connection of these customers to Commonwealth's natural gas distribution system, considered acceptable and necessary to maintain service availability by Commonwealth in its reasonable opinion, will be purchased at Colonial's original cost, less depreciation. Any such facilities within the franchise territory of Commonwealth which are not so acceptable and necessary, in Commonwealth's reasonable opinion, shall not be purchased by Commonwealth and shall be abandoned by Colonial in accordance with existing laws or regulations at no cost to Commonwealth.
4. Commonwealth and Colonial further agree that during the time that Colonial is so servicing such customers, Commonwealth will have no responsibility or liability to any persons as a result of natural gas service being rendered to such customers or by the failure of Colonial to render such service to any persons. Colonial agrees to defend, indemnify and hold Commonwealth harmless from any and all claims whatsoever arising out of the furnishing of natural gas service by Colonial to such development or in any other way arising from this Agreement.
5. The authority of Colonial to serve customers in the Town of Plymouth or in any other portion of Commonwealth's franchise territory is limited to those customers for which authorization has been specifically granted by Commonwealth. Colonial acknowledges that it shall not serve any other customers located within the Town of Plymouth or otherwise within the franchise territory of Commonwealth without the prior written consent of Commonwealth, which consent may be withheld for any reason.
6. This Agreement represents the entire agreement between Commonwealth and Colonial with respect to the subject matter contained herein, shall be construed in accordance with the laws of the Commonwealth of Massachusetts, is subject to the requirements of all laws and regulations, including but not limited to those of the Commonwealth of Massachusetts Department of Public Utilities, and may be amended only by a writing executed by Commonwealth and Colonial.

IN WITNESS WHEREOF, Commonwealth and Colonial have caused this Agreement to be executed as of the date first mentioned above.

Witness: C. L. Ryan

Commonwealth Gas Company

By: [Signature]
Name: STEPHEN H. BRYAN
Title: VP MARKETING & CUSTOMER RELATIONS

Colonial Gas Company

Witness: _____

By: [Signature]
C. Raymond MacAleese
Vice President Marketing & Customer Service

Note: Area subject to
Agreement is within
highlighted section.



Exhibit "A"

AMENDMENT

This AMENDMENT, dated as of this 1st day of June, 1995, is between COMMONWEALTH GAS COMPANY, a Massachusetts corporation having a usual place of business at 157 Cordaville Road, Southborough Middlesex County, Massachusetts, (hereinafter known as "Commonwealth"), and COLONIAL GAS COMPANY, a Massachusetts corporation having a usual place of business at 40 Market Street, Lowell, Middlesex County, Massachusetts, (hereinafter known as "Colonial"). This Amendment amends that certain Agreement dated as of November 27, 1992 between Commonwealth and Colonial (the "Cedarville Agreement") concerning Colonial's provision of gas service from its distribution system to customers in the Cedarville section of the Town of Plymouth, Massachusetts (which Town is within the franchise territory of Commonwealth).

WHEREAS, Colonial and Commonwealth desire to amend the Cedarville Agreement to include an additional section of the Town of Plymouth between the said Cedarville section and the Buttermilk Bay Shores section of Plymouth (with respect to which Colonial has been authorized by Commonwealth to provide gas service pursuant to separate agreement dated as of May 31, 1991). This additional section of the Town of Plymouth can presently be more economically and conveniently served by Colonial than by Commonwealth.

NOW THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Commonwealth and Colonial do hereby agree to amend the Cedarville Agreement as follows:

(i) Numbered paragraph "I" of the Cedarville Agreement is hereby deleted in its entirety and replaced with the following:

- "1. Commonwealth hereby assents to the providing by Colonial of natural gas service to certain areas in the southern part of the Town of Plymouth, Plymouth County, Massachusetts, including those sections known as Cedarville and The Ponds, as such areas are more particularly set forth on Exhibit A attached hereto (the "Expansion Area"), which is within the franchise territory of Commonwealth. Colonial is further authorized to provide natural gas service to any persons within the Town of Plymouth whose premises are located directly along the main extension route along which the facilities to the Expansion Area are to be installed. It is acknowledged that this authorization is granted due to the fact that Colonial is able to cost effectively serve the Expansion Area, while no natural gas distribution facilities of Commonwealth are located in close proximity thereto and the necessary main extension which would be required of Commonwealth to serve the Expansion Area cannot be economically justified."

(ii) In all other respects, the Cedarville Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, Commonwealth and Colonial have caused this Agreement to be executed as an instrument under seal as of the date first referenced above.

COMMONWEALTH GAS COMPANY

By: Stephen H. Bryant
Stephen H. Bryant

Title: V.P. Marketing & Customer Relations.

COLONIAL GAS COMPANY

By: C. Ray MacAleese
C. Ray MacAleese
Vice President-Marketing
and Customer Service

H:TACMARKETING/COMGAS

Note: Area subject to Agreement
is within highlighted section.

